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New Pressures May Alter U.S. Policy on Spain

The Franco regime's appeal for wheat "from any country whatsoever," even its old enemy, Russia, made public by the Ministry of Industry and Commerce on January 14, dramatizes a threatened food shortage and represents another move in Madrid's campaign to obtain recognition and dollars from the United States. The Spanish government reportedly wants bids for shipments of up to 500,000 tons, an amount somewhat in excess of the deficit which must be met by imports before July harvests relieve the situation caused by the abrupt cessation of Argentine grain imports.* Spain, moreover, is described as willing to make payment in dollars, in freely convertible pesetas, or in kind, at the option of the supplier, and in this connection has sounded out the U.S.S.R. for an exchange of wheat in return for minerals and olive oil. If Madrid's offer is genuine, Spain is scraping the bottom of its till to forestall economic crisis. With imports from the United States running ahead of exports, it is difficult to see how Spain can carry out its offer except by negotiating another dollar loan of the type arranged last February with the Chase Bank for \$25 million, which was entirely secured with gold. A credit from this source is reportedly under consideration. But the Spanish appeal was also directed at the United States Congress which might be expected to react positively to the threat of losing this market to Russia.

The Spanish *démarche* is but the most recent attempt to bring pressure for direct loans from the United States gov-

ernment or from private investment houses. Heretofore such overtures have been rejected, not only because they have been poorly conceived and badly negotiated or because Spain has not been considered a good economic risk, but also because of the prevailing anti-Franco sentiment here. Now, however, the Truman Administration is reported to be willing to take the first step in a policy of helping Spain to help itself; this would be the repeal or rephrasing of the UN resolution on Spain to permit the return of ambassadors to the Spanish capital and the admission of the Franco regime to certain specialized agencies of the UN.

Battered UN Resolution

The General Assembly's resolution of December 12, 1946 was the end-result of several efforts at the close of the war to find a way of replacing Franco with a "more acceptable" regime. Weak as it was, and even then viewed with misgivings, it was the high-water mark of collective action against Franco. Since then support for the anti-Franco resolution has gradually been whittled away. In June 1949 Spanish Foreign Minister Martin Artajo was able to describe as a "moral" victory the fact that, "In 1946 the General Assembly vote was only 6 in our favor. In 1947 there were 16. In 1949, 26." Argentina, the Dominican Republic, Peru, Egypt and Switzerland are among the UN members who maintain ambassadors or ministers in Madrid. The Vatican is represented by its Nuncio, and Bolivia and Brazil are expected soon to send top-ranking diplomats there. During

the past two years, moreover, the Franco regime has concluded a number of trade agreements with Western European countries, including one with Western Germany, figured in dollars, which have undermined for practical purposes the policy of denying full diplomatic recognition to that government.

The Truman Administration, which from the outset has been dubious about the efficacy of diplomatic sanctions, has nevertheless felt that the negative effect on public opinion in the United States and Western Europe of a move to restore full recognition to Franco would outweigh the possible advantages. Last May, therefore, the United States delegation abstained from voting on the Latin American proposal to that effect. Several considerations now appear to be influencing the State Department to abandon its hitherto passive position on the involved "Spanish question."

1. According to Washington, the growing number of countries which refuse to comply with the UN stand, on the one hand, and the waning strength of the anti-Franco forces in the Assembly, on the other, have bankrupted the 1946 resolution.

2. The practical effect of collective intervention against the Franco regime has militated against the Spanish people—as distinguished from Spanish officialdom—whom it was originally designed to serve. The State Department believes that a ranking ambassador could argue more effectively for political and economic reform than a chargé d'affaires to whom protocol does not give direct access to

*See *Foreign Policy Bulletin*, January 13, 1950.

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the Caudillo. Lacking this channel, the United States has been hampered in its attempts to urge upon the Spanish government the changes that it believes must precede any large-scale private or governmental assistance to Spain, notably the abolition of military trials for political offenses and an amnesty for the hundreds of thousands of Spaniards who, because they were identified with the Loyalist cause, are now bound by a confining type of parole known as "watched liberty."

3. This state of affairs not only penalizes anti-Franco Spaniards, in the Administration's view, but also the political and economic interests of the United States. Unprejudiced observers are beginning to report indications of growing dissatisfaction with American policy on the part of average Spaniards who feel that help should not be denied them because they are saddled with an unpopular government which shows no signs of weakening. The State Department is prepared to approve limited Export-Import Bank credit to finance shipments of mining machinery but does not feel that it can en-

courage American entrepreneurs to do business with their counterparts in Spain—the only form of assistance it considers economically or politically desirable—until the "investment climate" in that country is improved. Among the conditions which now seriously militate against such assistance are the wholly fictitious exchange rate, a 25-per-cent limitation on the amount of foreign capital which may be invested in a given enterprise, as well as discriminatory exchange rates for dollar remittances, and the possibility of arbitrary interference with, or even expropriation of, foreign corporations, exemplified in the forced liquidation of the Barcelona Traction, Light and Power Company last year.

Packaged Recognition?

4. Criticism of the Administration's policy toward Spain in Congress, where bipartisan support exists for a renewal of complete diplomatic relations with Madrid, has been revived in connection with the debate on China policy. Some support also exists in Congress for the inclusion of Spain in the ERP, and Franco's over-

tures to Russia, as well as to this country, may be all that is necessary for a surprise move to provide a large wheat-financing authorization for that country—a move that the State Department would probably like to forestall. It is possible, moreover, that the issue of United States recognition of the Chinese Communist regime may coincide with a debate on the Spanish resolution in the next General Assembly session. If the appointment of a United States ambassador to Madrid were to be tied in with recognition of the Chinese Communists, this action would lend support to the Administration's contention that recognition of itself constitutes neither approval nor disapproval of the regime in question. If the two moves are wrapped up in one package, moreover, the Administration may hope that the sting would be taken out of criticism from anti-Franco or pro-Soviet sources to the effect that the United States, despite its protestations, is pursuing a reactionary course.

OLIVE HOLMES

(The second of two articles on Spanish policy.)

Indonesia Faces Acute Reconstruction Problems

The Republic of the United States of Indonesia faces truly formidable difficulties in building a stable, non-Communist and, presumably, democratic state. Its first task will be to consolidate its authority. This will involve the absorption into its own army of as many of the approximately 30,000 troops—especially the natives—in the Royal Netherlands Indies Army as wish to make the transfer. Simultaneously the forces in the Dutch army, about 80,000, who have already commenced evacuation, are to be withdrawn by this summer. The Indonesian army will face a serious problem in consolidating numerous independent guerrilla bands and suppressing any forces—including some controlled by Communists, the Moslem extremist group, Darul Islam, and a band of several thousand led by the renegade Dutch-Turkish captain, Remo P. P. Westerling—which may resist unification. Washington may consider granting some aid for this purpose from the \$75 million in the Military Aid Program earmarked for use in the "general area" of China.

A more persistent problem will arise from the divergent interests of an extraordinarily mixed population. The Indo-

nesians themselves are divided into more than sixty different ethnic groups. About nine-tenths of the population are Moslem, but important Hindu, Christian and pagan minorities exist. Disparities in economic and cultural development, ranging from the primitive peoples of central Borneo to the cosmopolites of Jakarta (Batavia) increase the complexities of just administration.

The situation is further complicated by the presence of many Europeans and non-indigenous Asians, especially Chinese. These groups have occupied the most important administrative, mercantile and specialized positions. Under the Dutch colonial system their legal and social status was sharply distinguished from that of the Indonesians. These minorities must now adjust themselves to new roles under Indonesian leadership. The dangers of friction between these groups, however, may subside, since considerable intermarriage has already taken place and a general sentiment of patriotism has developed during the struggle for independence. Moreover, the spread of a new "Indonesian" language, which has evolved from "market Malay," should provide an adequate instrument for communication

of ideas between different groups.

Economic Difficulties

Indonesia's most difficult problem arises from its economic situation. The acuteness of this problem is suggested by the density of population in Java, over 850 persons per square mile. By contrast, the average for the United States is 44, and even industrialized New York state has only 260 persons per square mile. To the burden of wartime and post-war disorganization of the economy will now be added the public debt which the new government has accepted, amounting to 4.3 billion guilders (about \$1.1 billion).

In the past Indonesia has supported this large population by producing raw materials for the world market. Rubber and petroleum accounted for almost half of the country's pre-war exports; tea, sugar, copra and tin were big money earners; and most of the world's quinine and pepper came from Indonesia. In exchange supplementary foods and manufactured goods were imported. Since the war, however, Indonesia has been unable to export enough to pay for imports. The adverse balance of trade amounting to about \$152 million in 1947 exceeded the total value

of exports. In 1948 the deficit fell to \$43 million as exports rose, but the shortage continued in 1949 despite a fall in imports.

The economic problem has been compounded by fluctuations in world market prices which have, at times, produced mass unemployment on the plantations. Thus the price of rubber fell from a high of \$2.14 per pound in 1910 to 72 cents in 1925, 20.5 cents in 1929 and only 3.4 cents in 1932, then rising to 17.5 cents by 1939. In 1947 the price was 22.5 cents, but has since declined to 18 cents a pound.

Need for Industry

The only way for Indonesia to raise its living standards and reduce the hardships resulting from undue dependence on world markets will be to increase its industry. A substantial beginning, largely with foreign capital, has already been made. Dutch investments are estimated at \$4,000 million, British at \$300 million and American at \$250 million. With the current unfavorable trade balance, rapid expansion of capital plant can only come

through the imposition of drastic sacrifices on the impoverished population—a course which only a ruthless dictatorship could carry out—or through foreign aid, public and private.

The future of private investment depends largely on the new government's policy. Under the Hague agreement, Indonesia has recognized the concessions previously granted, but reserves the right to expropriate or nationalize property for "the public benefit." Certain drastic controls will have to be imposed for political reasons, as well as to establish greater social justice. Excessive burdens, however, will discourage new investment. President Sukarno acknowledged this problem when, on January 1, he invited foreign capital to help in the "development of the country" and promised freedom from confiscation and discrimination. He warned, however, that the government must take measures to "benefit the workers."

The United States government may also play a significant role through financial aid and technical assistance. Dr. D.

Sumitro, new Indonesian chargé d'affaires in Washington, reported on January 9 that he had already initiated negotiations for a loan from the Export-Import Bank. Press reports gave \$150 million as the amount sought. A relatively small amount of American assistance in Indonesia could prove of great value in strengthening a non-Communist and progressive regime in a part of the world where rivalry with the Soviet Union is most acute.

At the same time the United States will have to resist the pressure of special interests demanding favors for American business, or demands by some politicians that aid recipients conform their foreign policy to our own conceptions and interests. Such demands would gravely weaken the new government and might easily give the Communists an opportunity to seize power. The long-run interests of the United States will be best served not by creating a series of hidden American dependencies but by the emergence of strong and free nations in Southeast Asia.

FRED W. RIGGS

(The second of two articles on Indonesia.)

Senate Weighs Genocide Convention

On January 23 the United States Senate starts hearings on the Convention for the Prevention and Punishment of the Crime of Genocide which was adopted by the United Nations General Assembly on December 11, 1948. The hearings will be held by a special subcommittee on genocide under the chairmanship of Senator Brien McMahon, Democrat of Connecticut.

Genocide is a new word expressing a new concept. The word was coined by the author of this article from the Greek "genos" (nation, tribe, spiritual-religious group quoted in Plato) and the Latin "cide" (to kill). It refers to the destruction of a national, racial or religious group. This new term was needed to define modern forms of an ancient and ever-recurring barbarism. "Mass murder" was not adequate for this concept because it does not convey the idea of selecting victims. Moreover, a nation can be destroyed not only through murder but also by preventing life through such means as sterilization, the dispersion of families and the theft of children. Genocide can also be committed by methods which mutilate the body and disintegrate the mind. During World War II the Chinese accused the Japanese of imposing drugs on millions of their people in order to destroy

their mental capacities. As a result of the Chinese delegation's initiative at the General Assembly, "serious mental harm" was included in the Genocide Convention as one of the means of committing genocide.

Definition of Genocide

Killing persons of different race or sterilizing women is not considered genocide if there is no over-all plan to destroy a given group, just as the killing of a man is not a crime if there is no intent to murder. Intent is an essential element of crime. One individual may kill another in justifiable self-defense. So a government under international law may be justified if it destroys people in self-defense when facing serious collective violence or revolution. Consequently, the words "destroy a group as such" were added. This phrase means that the victim group must be essentially innocent and inoffensive. Should genocide be perpetrated under false pretenses as self-defense; the situation will be comparable to the invocation without justification of the plea of self-defense in killing an individual. All doubtful cases may be decided by domestic courts, by the United Nations and by the existing International Court of Justice as provided in Article IX of the

Genocide Convention.

Genocide need not involve the total destruction of a nation or race. Partial destruction may be very serious, affecting millions of victims as in the case of the massacre of Armenians by the Turks in 1915 and the Moslems and Hindus in the subcontinent of India in 1947 and 1948. Moreover, genocide often involves the destruction of élites of a minority—teachers, clergy, technicians—which are essential to the group survival of the remainder. Such partial destruction should, however, be of a substantial nature to come under the preamble of the Convention which says that genocide "inflicts great losses on humanity." For the notion of a group one must turn to sociology, which states that a national, racial or religious group refers to all the inhabitants of a territory connected by ties of nationality, religion or race.

Genocide is usually committed by members of governments or other powerful groups. Therefore it would be futile to consider it a matter of domestic concern only.

In establishing means of enforcement the United Nations recognized that governments usually prefer to make use of familiar institutions. The Genocide Con-

vention consequently provides that every nation will try offenders in its own courts according to its constitutional provisions. In the event of disputes relating to the fulfillment of this duty, the issue could be brought by any contracting party before the International Court of Justice at The Hague. The allegation made in some quarters that the Genocide Convention would permit American citizens to be haled before a foreign court lacks validity. The Convention would not establish an International Criminal Tribunal. Should such a court ever be created (on a regional basis), it would require a special convention and special ratification.

Role of Domestic Courts

In this divided world the Convention's enforcement provisions could not be made stronger than they are. It should be noted, however, that genocide may be committed not only by great powers but also by small states. In the latter case, enforcement would prove easier than in the case of the great powers. The punishment of individual offenders has been left to the judgment of domestic courts which will have to take domestic law into consideration. Should misuse be proved, the International Court of Justice and the United Nations will have to intervene according to the general principle that all doubtful cases must be solved in the way which will best serve the purpose of the treaty.

Every member of the United Nations will be able to bring a genocide case before any organ of the UN—not only before the Security Council where a veto might be invoked. Another significant provision of the Convention is contained in Article VII which deprives genocidists of the privileges of asylum. They would not be considered political offenders and would be subject to extradition. Ratification of the Convention will take place according to the provisions of the American Constitution and does not mean that any institution of American law will be superseded by foreign law.

The Convention deals with a specific crime and not with the general subject of international human rights. Genocide is not a matter of discrimination but of destruction, annihilation and obliteration. No conflict of jurisdiction between states

and Federal government would arise under the Genocide Convention, since by Article I of the American Constitution genocide as an international crime would be within the jurisdiction of Congress. The question of genocide is purely academic so far as domestic problems of the United States are concerned, for genocide does not happen here and is not likely to happen. But this country has always been and still is directly concerned with this evil, because after genocide has occurred it has to provide leadership and means for the rehabilitation of millions of genocide victims abroad.

RAPHAEL LEMKIN

(Professor Raphael Lemkin, now visiting lecturer at Yale University, was a former adviser on foreign affairs to the War Department. He is the founder of the World Movement to Outlaw Genocide.)

What Is Happening In China?

You will find a first-hand, carefully considered picture of developments in China under the Communists and of the problems faced by the Peiping regime, in the February 15 issue of *Foreign Policy Reports*—

CAUSES AND EFFECTS IN CHINA

by A. Doak Barnett, Associate of the Institute of Current World Affairs, just back from China.

Foreign Policy Reports—25c.

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Branch and Affiliate Meetings

*BUFFALO, January 21, *The Anatomy of Titoism*, Joseph C. Harsch

*CLEVELAND, January 25, *Wanted: An American Foreign Policy Toward China*, Nathaniel Pepper

BETHLEHEM, January 26, *Europe to America: Challenge and Promise*, Richard Plant

CLEVELAND, January 26, *U.S.—Chinese Relations*, W. T. Chan

NEW YORK, January 27, *The Economic Situation in the Near East*, Gordon R. Clapp

BETHLEHEM, January 31, *The Individual in World Affairs*, Vera M. Dean

WORCESTER, January 31, *Germany*, Jane Perry Clark Carey, Delbert Clark

*Data taken from printed announcement.

News in the Making

PUBLIC OPINION ON CHINA: Various tests of public opinion from coast to coast indicate that the decisions regarding Formosa taken by President Truman on the advice of Secretary of State Acheson have received general approval. Considerable criticism, however, has been expressed about "confusions" and "lack of information" on American foreign policy in Asia. For the time being, there appears to be strong sentiment against recognition of the Peiping regime, although some editorials and groups recommend this course.

EMERGENCE OF ASIAN POLICY: Meanwhile, official pronouncements have begun to reveal the lines of the policy Washington plans to follow in Asia. Among these lines the following loom most important: 1) The United States, as indicated by President Truman's announcement on Formosa and Mr. Acheson's address to the National Press Club on January 12, will stress Russia's territorial designs on China, and will carefully avoid any actions of its own that might be interpreted as imperialism; 2) The United States will refrain from military moves, but will give economic aid under Point Four to governments that are ready to help themselves (the point about self-help was stressed by Ambassador-at-Large Phillip C. Jessup in Seoul on January 14); 3) The United States will view with realism the revolutionary forces in Asia and not attribute them solely to Russian influence (this was indicated in a speech by Dean Rusk, Deputy Under Secretary of State, before the Council on World Affairs in Philadelphia on January 13).

COMMONWEALTH POINT FOUR FOR ASIA?: The most positive accomplishment of the Commonwealth Conference in Colombo, Ceylon, January 9-14, was the drafting of proposals for fostering economic development in South and Southeast Asia. The recommendations, taken largely as the result of Australian initiative, envisage a consultative committee meeting in Canberra within four months for the appraisal of specific projects. Exchange of technicians and extension of credits would follow.